

Phil,

This email is a follow-up to our conversation on Thursday, April 19<sup>th</sup>. As requested, I have discussed with GeoEngineers the involvement of Art Anderson & Associates with the above subject site the afternoon of April 19<sup>th</sup> and as a result of our discussion, GeoEngineers provided me the following information related to next steps and how and when Art Anderson and Associates is "most likely" to factor into the Gasworks brownfield redevelopment project. In addition, I've also attached the "Conceptual Remedial Investigation Schedule" that is especially relative to Step 5, and the forthcoming Steps 6 and 7 outlined below.

According to GeoEngineers experience at other similar sites, Washington State Department of Ecology (Ecology) is the regulatory body for this project. As a result, Chapter 173-340 WAC of Ecology's Model Toxics Control Act (MTCA) Cleanup Regulation will govern the assessment and cleanup action at this site. On page 5 of Ecology's Cleanup Regulation it defines "How Sites are Cleaned Up." We have listed the seven (7) Ecology steps and listed the status of each step for the Bremerton Gas Works Site.

1. Site Discovery - completed by Ecology
2. Initial Investigation - completed by Ecology
3. Site Hazard Assessment - completed by Ecology
4. Hazard Ranking - Based on Ecology's Hazardous Sites List, this site has a Hazard Ranking of 1, highest level of concern.
5. Remedial Investigation/Feasibility Study - An initial RI is being completed in 2007 by GeoEngineers and EPA (through the TBA)
6. Selection of Cleanup Action - To be completed after the RI/FS is complete – November or December 2007
7. Site Cleanup - To be completed after selection of the cleanup action.

The RI/FS is critical to proceeding with selection of an appropriate remedy. GeoEngineers has over 25 years of experience working with property owners, Ecology and EPA to adequately complete assessments and cleanup actions. Because of the combination of GeoEngineers' expertise in due diligence, environmental and geotechnical engineering we are at the forefront of working with owners and developers looking to redevelop brownfields properties <http://www.geoengineers.com/Cases.aspx?Id=3&Type=1&Title=Site+Development+%26+Redevelopment>.

The Bremerton Gas Works site is currently at step 5 of Ecology's cleanup process. Once contaminants of concern and their extent are known, it is important to involve site redevelopment stakeholders in Cleanup Action planning (a part of item 6). GeoEngineers routinely collaborates with property owners, architects, other engineers, regulators and the community to establish a cleanup remedy and future site use that meets the stakeholders objectives and is protective of human health and the environment.

Not to say that stakeholder involvement is not important throughout all 7 Ecology cleanup steps, **but Steps 6 and 7** (November or December 2007) are typically the most important because at these stages contaminant type and extent is known and typically a redevelopment design is established. In many instances the most creative redevelopment solutions involve components of the end use in the final remedy of brownfield sites. It is at this stage where it's perceived that Art Anderson Associates and others are important in the success of a brownfield project.

GeoEngineers hopes the above description helps define the steps and timing of a brownfield redevelopment and especially where the firm, Art Anderson & Associates, will factor into the overall process.